

STATE OF MINNESOTA

Office of Governor Mark Dayton

130 State Capitol • 75 Rev. Dr. Martin Luther King Jr. Boulevard • Saint Paul, MN 55155

May 30, 2017

The Honorable Kurt Daudt Speaker of the House State Office Building, Room 463 100 Rev. Dr. Martin Luther King, Jr. Blvd. Saint Paul, Minnesota 55155

Dear Speaker Daudt:

Please be advised I have received, approved, signed, and deposited in the Office of the Secretary of State Chapter 88, House File 1545, a bill related to agriculture finance and policy.

This bill makes investments in Minnesota's agriculture industry, rural communities, the Minnesota Department of Agriculture (MDA), the Board of Animal Health (BAH), and the Agriculture Utilization Research Institute (AURI). Though this bill does not contain the level of investment I proposed in my budget, it is a compromise that ensures our agencies are able to carry out their missions and continue serving Minnesotans and our farmers.

The bill I vetoed, Chapter 41, Senate File 780, included zero additional investment in the agriculture budget. This bill, by contrast, provides an additional \$4.970 million investment in Minnesota's agriculture, rural economy, and the state agencies that serve our farmers. These investments strengthen the State's support to our farmers and agri-businesses by investing in critical services, research and business growth. Critically, this bill extends the Farmer-Lender Mediation Program which assists farmers struggling with low commodity prices and high input costs.

While the bill makes many important investments, I am disappointed that the bill did not include my recommendation to establish a dedicated pollinator protection account. The bill also did not include my policy recommendation to allow the department of Agriculture to have the authority to track and regulate the sales and the use of seeds that are treated by pesticides. The dedicated pollinator account would have been funded from \$1 million in general fund and \$500,000 in fees levied on pesticide products that are harmful to pollinators. The pollinator account would have supported collaboration with the University of Minnesota, experts, and farmers to develop best management practices, stewardship materials, educational efforts and research to improve the health of pollinators in Minnesota.

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I am also pleased to see the following investments in the bill:

- Funding for the Farm Advocate Program;
- Funding for the tractor safety rollover program;
- Funding to support the production and marketing of industrial hemp;
- Funding to address noxious weed threats, such as Palmer Amaranth;
- Funding for pollinator research;
- Increased funding in AGRI to support urban agriculture and the Good Food Access Program; and
- Increased funding in AGRI to provide production incentives to new and innovative agri-businesses.

Additionally, the compromise budget now includes a fee increase for non-agriculture pesticides that funds the MDA's waste pesticide disposal program. This program has been an unequivocal success, collecting more than 450,000 pounds of household and agricultural waste pesticides in all 87 counties. This program is fully funded from fees paid by pesticide registrants and provides safe disposal of waste pesticides at no cost to Minnesotans.

The bill I vetoed, included a provision that stripped the Department of Agriculture's existing pesticide enforcement authority and placed it in conflict with federal law. The compromise policy language included in this bill does not place the agency in conflict with federal law.

In my veto letter dated May 12, 2017, I stated that I was confident that we could work out our differences and develop an agricultural budget that invests in Minnesota's agricultural industry. House File 1545 is a compromise that does just that.

V /W

Governor

cc: Senator Paul E. Gazelka, Senate Majority Leader

Senator Thomas M. Bakk, Senate Minority Leader

Senator Torrey N. Westrom, Minnesota Senate

Representative Kurt Daudt, Speaker of the House

Representative Melissa Hortman, House Minority Leader

Representative Rod Hamilton, House of Representatives

The Honorable Steve Simon, Secretary of State

Mr. Cal R. Ludeman, Secretary of the Senate

Mr. Patrick Murphy, Chief Clerk of the House of Representatives

Mr. Paul Marinac, Revisor of Statutes